

March 20, 2007

Robert Baker, Air-3
U.S. Environmental Protection Agency
75 Hawthorne St., San Francisco, CA 94105

Fax (415) 947-3579
desertrockairpermit@epa.gov (desertrockairpermit@epa.gov)

Re: Desert Rock Clean Air Act Proposed PSD Permit

Dear Mr. Baker:

The Aspen City Council unanimously expresses its concern with the proposed permitting of the Desert Rock coal-fired power plant in New Mexico, because of its impact on Aspen's climate and economy, and on visibility in our nearby wilderness areas. The Aspen City Council would like to offer the following comments.

According to the recent Climate Impact Assessment conducted for the City of Aspen by leading climate scientists, "High greenhouse gas emissions scenarios (A1FI) are likely to end skiing in Aspen by 2100, and possibly well before then, while low emission path scenarios preserve skiing at mid- to upper mountain elevations. In either case, snow conditions will deteriorate in the future." The study also predicts severe impacts on plant and animal communities, wildfires, and water availability.

An investment in a large greenhouse gas producing facility such as Desert Rock will worsen greenhouse gas emissions for another 50 years and impair the clear vistas that are central to Aspen's quality of life and economy. According to the Department of Energy, coal-powered power plants currently contribute over a third of the country's carbon dioxide emissions. Any coal-fired power plant permitted from now on should include CO2 sequestration, or at least be constructed so that CO2 sequestration can occur without prohibitive retrofitting in the future. To preserve Aspen's economy and way of life requires that electric demands be met, starting immediately, with energy efficiency, renewable energy, and combined heat and power sources. Investment in new coal-fired plants delays investment in these sources on which we should be focusing. Power companies, other private industries, and cities and states are taking action to reduce their CO2 emissions. This power plant should do the same. To continue business as usual in the face of what scientists now know about the impacts of global warming on our community, and others, is unacceptable.

Sithe Global should follow the lead of Xcel Energy, which has just announced plans to develop an Integrated Gasification Combined Cycle, or IGCC power plant, which would reduce emissions, increase efficiency, and allow carbon dioxide to be captured.

The Desert Rock power plant should install controls sufficient to ensure there is in fact no significant effect on visibility in Class I wilderness areas and National Parks. Modeling for this plant shows that it will have significant adverse impacts on visibility in such areas. According to the EPA, "Sithe's modeling indicated that the Facility's emissions would result in noticeable visibility reduction on certain days at 11 of the surrounding 15 Class I (wilderness) areas. Six areas had even more significant visibility reduction. Additional controls necessary to prevent these visibility impacts should be conditions of permit approval, not "side agreements". The EPA should accept the United States Forest Service (USFS) request that the visibility "mitigation strategy" Sithe proposed to the Federal Land Managers (FLMs) be included in Sithe's PSD permit so that Sithe's implementation of at least these minimal strategies will be federally enforceable.

The facility will produce mercury emissions (114 pounds per year), PM-10, carbon monoxide, oxides of nitrogen, sulfur dioxide, and other emissions. Adding another coal-fired power plant in an area where two of the largest polluting power plants in the US exist, will worsen visibility impacts and local pollution levels. Cumulative air quality impacts need to be modeled and evaluated. Does the Draft Air Permit evaluate the air quality effects associated with all components of the plant, including associated infrastructure and fugitive dust? Best Available Control Technologies should be required in every facet of the project.

The Air Quality Permit should **not** be evaluated until the Environmental Impact Statement has been released, so that impacts are disclosed. Otherwise, the process is being rushed without adequate information.

Background pollution monitoring in the modeling for Desert Rock should be done in the actual area, not in a city or town with different emissions and baselines.

The Aspen City Council has previously adopted resolutions opposing loosened standards for mercury emissions from power plants. This was due to local fish advisories in which pregnant women, or all residents, have been advised not to eat fish due to high mercury contamination levels. Coal-fired power plants are the single largest human-caused source of this mercury and Mesa Verde National Park has very high mercury levels. How will permitting of this power plant lower mercury levels so fish in local lakes will be safe to eat, especially given the low control rate for mercury?

Sincerely,

Helen Kalin Klanderud, Mayor, City of Aspen

Dine' Citizens Against Ruining Our Environment
 HC-63, Box 263
 Winslow, AZ 86047

September 19, 2006

Mr. Bob Baker, US EPA, Region 9
 Air Quality Division
 San Francisco, CA

Mr. Enrique Manzanilla, US EPA, Region 9
 Air Quality Division
 San Francisco, CA

Dear Messrs. Baker and Manzanilla:

During the EPA Clean Air Act Workshop for Desert Rock Energy Power Plant, On September 12, 2006 at Window Rock, AZ I was asked by the facilitator to stop speaking and microphone taken from me when I made a statement. I object to being treated in that way by US EPA personnel. The act by US EPA personnel was improper and a clear violation of my civil rights as a member of the Navajo community. I believe all Navajo tribal members have a right to state their concerns whether they agree with or not agree with the project since the Desert Rock power plant will be built on our land.

The public workshop, as to my understanding, was open to the public and to make a statement in regards to air quality related to the power plant. When I began to address the air pollution from the coal strip mining that will be a mine-mouth feed to the power plant was when I was told to stop and turn the microphone over to the facilitator. I believe I had the right to speak to the air in and around the power plant since the workshop was open to the public and was open for questions and comments when I spoke. I would probably concede to letting this violation slide, if the workshop was press for time and if there were a lot of people in line to speak, but after several calls for questions, I was the only one who raised my hand to speak.

The US Environmental Justice policy and Executive Order was established because of similar treatment of affected community members fighting to be heard by governmental agencies. As a grassroots environmental justice organization, we have been hopeful that change for a cleaner environment would become a reality by creating better work relationship with all governmental agencies. I believe that can only happen if US EPA Region 9 would begin to adhere to Environmental Justice policies.

I request that extension of the workshop be held in Bloomfield, NM and Huerfano, NM and the Clean Air Act hearings be extended to include Farmington, NM and Huerfano, NM where the local people who are most affected by pollution can be given opportunity to have a say on behalf of their community members.

Sincerely,

Anna M. Frazier, Coordinator
 Dine' Citizens Against Ruining Our Environment

Diné Citizens Against Ruining our Environment
 10 A Town Plaza, PMB 138
 Durango, CO 81301
 (970) 259-0199
kiyaani@frontier.net

October 25, 2006

United States Environmental Protection Agency
 Robert Baker, Air-3
 U.S. Environmental Protection Agency
 75 Hawthorne St., San Francisco, CA 94105

Dear Mr. Baker:

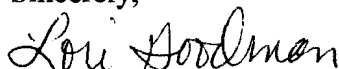
I object to the issuance of the PSD air quality permit to Sithe Global Power for the Desert Rock Energy Facility. The recent public hearings did not address the cumulative health impacts. Two existing plants in the vicinity have been called two of the worst point-sources of pollution in the U.S. by the EPA, spewing concentrations of a number of pollutants proven to be damaging to human health and the environment. The health of neighboring residents has already been compromised by their exposure to these toxins; it would be genocidal to subject them to more pollutants in their already overburdened community.

There are inadequate Public Health facilities and health personnel to care for victims of water and air pollution caused by adding 3rd power plant. Health implications for decreasing air quality include an increase in the already record high admittance to the Indian Health Service facilities for asthma and other serious respiratory problems.

Building a third power plant in what has become a national sacrifices zone is equivalent to sentencing whole communities to death. Desert Rock's approval will add further healthcare costs - adding insult to injury. Currently, IHS (Indian Health Service) on Navajo lands is only 70% funded and there is a 25% vacancy rate of doctors and nurses. In 2005, the Government Accountability Office (GAO) reported the Indian Healthcare delivery system to be dismal and severely under funded. Further, the 2004 U.S. Commission on Civil Rights documented the significant funding disparity for Indian health care. "While per capita health care spending for the general U.S. population is about \$5,000 each year, per capita spending for IHS beneficiaries is about \$1,900 each year. The U.S. government spends twice as much per capita (\$3800) on health care for federal prisoners as it spends for Native Americans."

Residents insist that a Health Assessment is essential as a baseline measure for monitoring purposes.

Sincerely,



Lori Goodman

Please find attached signatures of 1500 Four Corners residents signing the following petition:

DOODA (NO) DESERT ROCK POWER PLANT

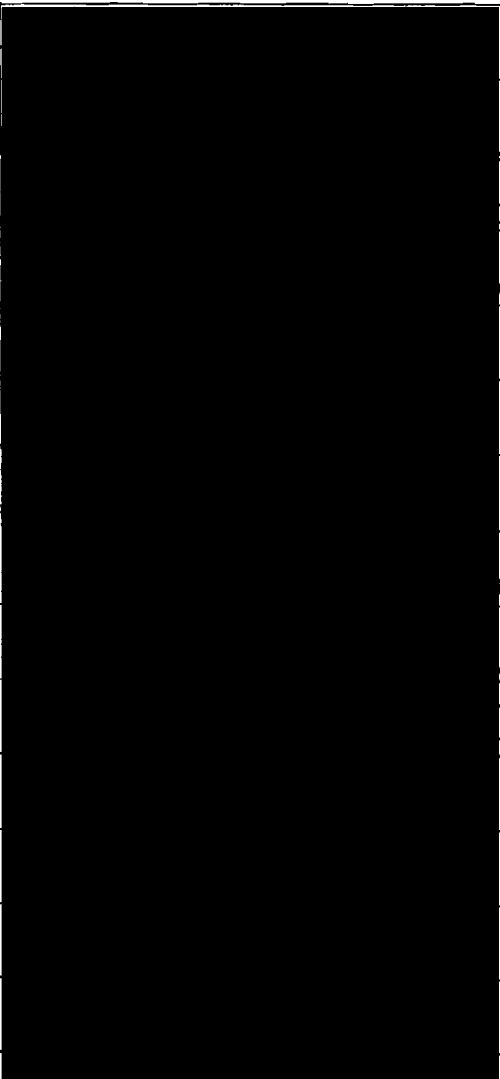
June 2005

We, as residents of the Four Corners area, hereby petition the U.S. Bureau of Indian Affairs Navajo Regional Office as the designated lead agency in the federal environmental review process and other cooperating agencies to withdraw the Desert Rock Energy Project and proposed Navajo Mine expansion as proposed actions under the National Environmental Policy Act as amended because there exists no viable need or purpose for such actions since the construction and operation of another mine-mouth power plant in the region will far exceed the maximum tolerance level for cumulative and synergistic air pollution emissions and their significant adverse environmental and health impacts in the San Juan Basin airshed. We further petition the Dine Power Authority, Sithe Global Power, LLC, Navajo Nation Resources and Economic Development Divisions, Navajo Nation Council Resources and Economic Development Committees, Nenahnezad Chapter, and other project or project-related entities to rescind their actions regarding grazing rights relinquishments, Burnham and Nenahnezad Chapters boundary adjustment, resolutions and directives supporting the proposed Desert Rock Energy Project, land withdrawal for the proposed project, and any and all business site leasing work in progress for said project. Further, we petition the Arizona Public Service Company to clean up its dirty Four Corners Power Plant.

DOODA (NO) DESERT ROCK POWER PLANT

2005

We, as residents of the Four Corners area, hereby petition the U.S. Bureau of Indian Affairs Navajo Regional Office as the designated lead agency in the federal environmental review process and other cooperating agencies to withdraw the *Desert Rock Energy Project and proposed Navajo Mine expansion* as proposed actions under the National Environmental Policy Act as amended because there exists no viable need or purpose for such actions since the construction and operation of another mine-mouth power plant in the region will far exceed the maximum tolerance level for cumulative and synergistic air pollution emissions and their significant adverse environmental and health impacts in the San Juan Basin airshed. We further petition the Dine Power Authority, Sithe Global Power, LLC, Navajo Nation Resources and Economic Development Divisions, Navajo Nation Council Resources and Economic Development Committees, Nenahnezad Chapter, and other project or project-related entities to rescind their actions regarding grazing rights relinquishments, Burnham and Nenahnezad Chapters boundary adjustment, resolutions and directives supporting the proposed Desert Rock Energy Project, land withdrawal for the proposed project, and any and all business site leasing work in progress for said project. Further, we petition the Arizona Public Service Company to clean up its dirty Four Corners Power Plant.

NAME:	ADDRESS:	SIGNATURES
1. Herbert Bitsi		Herbert Bitsi
2. Liza Chee		Liza Chee
3. Yolanda Chee		Yolanda Chee
4. Theresa Frank		Theresa Frank
5. Ray Frank		Ray Frank
6. Molly Frank		Molly Frank
7. Alice C. Sim		Alice C. Sim
8. Irene A. Nez		Irene A. Nez
9. Lorraine Benally		Lorraine Benally
10. Jonah Yazzie		Jonah Yazzie
11. Ruth Yazzie		Ruth Yazzie
12. LULO Begay		LULO Begay
13. LAMAE TAMM		LAMAE TAMM
14. NICHANOR		NICHANOR
15.		
16.		
17.		
18.		

Comment #3

Additional signature pages of attached Petition to other agencies is available from the PSD Desert Rock Docket on Request



DINÉ POWER AUTHORITY

P.O. BOX 3239
WINDOW ROCK, ARIZONA 86515
(928) 871-2133
FAX: (928) 871-4046

November 13, 2006

Mr. Robert Baker (AIR3)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901
Email: desertrockairpermit@epa.gov

**Re: Desert Rock Energy Facility (AZP 04-01)
Proposed PSD Permit**

Dear Mr. Baker:

Diné Power Authority, (DPA), a Navajo Nation enterprise and sponsor of the Desert Rock Energy Facility, is submitting these comments in support of the proposed PSD permit referenced above. In addition, DPA hereby incorporates by reference the comments and proposed amendments to the PSD permit submitted on October 20, 2006 by Mr. Dirk Straussfeld of Sithe Global Power LLC and Desert Rock Energy LLC.

DPA is a tribal enterprise of the Navajo Nation created pursuant to 21 Navajo Nation Code § 201. DPA's purpose is to develop utility-scale energy projects for the economic benefit of the Navajo people. In a signing ceremony on September 5, 2003 with the Office of the Navajo President and Vice President and members of the Navajo Nation Council, Diné Power Authority entered into an exclusive Development Agreement with Steag Power LLC, the predecessor in interest to Sithe Global Power LLC, to develop the Desert Rock Energy Facility on Navajo Nation trust lands.

Diné Power Authority's joint development of the Desert Rock project with Sithe Global Power LLC brings many benefits to the Navajo people. The Desert Rock project is a comprehensive energy development for the Navajo Nation, including transmission, water and related infrastructure facilities, community development, communications, transportation and support service facilities, job training and other programs. On behalf of the Navajo Nation, DPA chose this non-Navajo developer because of their willingness to work with the Navajo Nation and their ability to construct and operate a highly efficient coal-fired electric power plant with proven air pollution control technology, a power plant design that significantly reduces water consumption in a region where water resources are scarce, and an agreement to develop a project with DPA and the Navajo Nation that respects and protects the property rights, environmental concerns, sovereign objectives and economic interests of the Navajo people.

Working together, DPA and Sithe Global Power first contacted EPA Region IX in mid-2003 to explore the feasibility of permitting the Desert Rock project. And this was only after

DPA and Sithe had discussed the project with representatives of local, regional and national environmental organizations in order to seek their input on how best to address potential air quality issues. Since that time, DPA and Sithe Global Power LLC have spent years modeling and remodeling the emissions from the project, analyzing the potential impact of the project on the local and regional environment, and developing significant mitigation measures to address concerns of the federal land managers, EPA, and members of the public who have expressed their views on the project. As you know, representatives of DPA, the Office of Navajo President and Vice President, the Navajo Nation Environmental Protection Agency and the Navajo Nation Council have visited your offices in San Francisco on several occasions and have joined you in meetings, workshops and public hearings on the Navajo Nation and surrounding communities to discuss and work through a variety of issues related to the proposed PSD permit.

DPA and the Navajo Nation appreciate the effort undertaken by EPA to address the requirements of the federal Clean Air Act in processing the permit application for the Desert Rock project. We are mindful of the trust responsibility between EPA and the Navajo Nation in carrying out its responsibilities under the Clean Air Act. Therefore, we wanted to take this opportunity, on the record, to clarify why the Navajo Nation, through DPA, invited Sithe Global Power LLC to come to the Navajo Nation and undertake this historic project.

For the Navajo Nation to remain strong, Navajos need jobs and reliable, long-term revenues. The Desert Rock Energy Facility will employ thousands of people during construction and provide around 400 people with permanent jobs after construction. These are good-paying jobs in which Navajos will be given hiring preference leading to immediate personal lifestyle improvements.

The \$2 billion project will be one of the largest taxpayers on the Navajo Nation, and through taxes, coal royalties and other payments will provide \$50 million in yearly revenue or more than 30 percent of the Nation's current annual general budget. Much of the money can be expected to go toward existing social and health programs for the Navajo people, not just in the chapters surrounding the plant, but across the Navajo reservation. The additional revenues will allow the Nation's leaders to improve health care to the Navajo people, increase educational opportunities for Navajo children and adults, protect Navajo residents with improved law enforcement programs, build new roads and infrastructure and provide much-needed opportunities to strengthen programs for Navajo seniors.

The lengthy public process for the PSD permit has produced invaluable dialogue and ideas from local Navajo citizens and Navajo chapters like the Nenahnezad Chapter. The Navajo Nation Council has supported DPA with funding legislation since 1985 and more recently supported specific funding for the Desert Rock Project. In a May 28, 2005 letter to EPA Region IX supporting the Desert Rock project, Navajo Nation President Joe Shirley, Jr. said, "Simply put, the Desert Rock project is addressing one of the most important economic development, environmental and energy challenges facing the Navajo Nation and the desert southwest today. I

am writing to confirm in the strongest possible terms that the Navajo Nation supports the efforts of DPA and Sithe." While we understand that President Shirley's May 2005 letter is a part of the EPA record in this matter, DPA is hereby incorporating that letter into these comments.

Not only will Desert Rock provide jobs, lifestyle and financial opportunities for the Navajo people, it is also an environmental success story. This project will be a model for future pulverized coal plants. It will use nearly every major proven technology, including, if necessary, activated carbon injection technologies to significantly reduce mercury emissions, and highly-efficient boilers that will significantly reduce carbon dioxide emissions compared to conventional subcritical pulverized coal plants. Technologies to address other pollutants like Nitrogen Oxide (NO_x) and Sulfur Dioxide (SO₂) will also be employed reducing all emissions to dramatically low levels.

Due to emission reductions at existing plants, the Four Corners region's air quality has been steadily improving over the past 15 years. And with new federal efforts to reduce mercury from power plants for the first time ever, regional efforts to reduce haze coordinated by the Western Regional Air Partnership, aggressive state efforts led by Gov. Richardson and the efforts of the Navajo Nation itself to enforce tough pollution limits, the Desert Rock Energy Facility is on the leading edge of these efforts.

As you heard several times from the Navajo Environmental Protection Agency, the Desert Rock project has a meaning even greater than power and jobs. It is a significant step toward manifesting the trust relationship evidenced by the delegation of Title V authority from EPA to the Navajo Nation. Once the plant is constructed and operating, EPA and the Navajo Nation will undertake a historic partnership to regulate Desert Rock and demonstrate to the nation that tribes and the federal government can work together to produce real results. In the most basic terms, Desert Rock is manifestation of Navajo self reliance, the primary goal of federal policies toward Indian tribes. With this in mind, DPA asks that EPA Region IX incorporate the comments submitted by Sithe Global Power LLC on October 20 and issue the final PSD permit for DPA's Desert Rock Energy Facility.

Very Truly Yours,

A handwritten signature in black ink, reading "Steven C. Begay". The signature is fluid and cursive, with the first name "Steven" and last name "Begay" clearly legible.

Steven C. Begay, General Manager
Diné Power Authority



DINÉ POWER AUTHORITY

P.O. BOX 3239
WINDOW ROCK, ARIZONA 86515
(928) 871-2133
FAX: (928) 871-4046

XL-5

November 13, 2006

Mr. Robert Baker (AIR3)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901
Email: desertrockairpermit@epa.gov

**Re: Desert Rock Energy Facility (AZP 04-01)
Proposed PSD Permit**

Dear Mr. Baker:

On behalf of the Board of Directors of the Diné Power Authority (DPA), a Navajo Nation enterprise and sponsor of the Desert Rock Energy Facility, is submitting these comments in support of the proposed PSD permit for the Navajo Nation's Desert Rock Energy Facility. The Navajo Nation supports and hereby incorporates by reference the comments submitted to EPA Region IX on November 13, 2006 by Diné Power Authority, (DPA), a Navajo Nation enterprise and sponsor of the Desert Rock Energy Facility, and supports and incorporates by reference the comments and proposed amendments to the PSD permit submitted to EPA Region IX on October 20, 2006 by Mr. Dirk Straussfeld of Sithe Global Power LLC and Desert Rock Energy LLC.

Almost two decades ago, the Navajo Nation Council created DPA as a tribal enterprise of the Navajo Nation to develop utility-scale energy projects for the economic benefit of the Navajo people. In 2001, DPA began discussions with energy companies in the US and abroad to develop a coal-fired electric generation facility on Navajo Nation trust lands, using Navajo coal, Navajo water and Navajo labor. After two years of intensive discussions with these companies, on September 5, 2003 my office and members of the Navajo Nation Council joined DPA in signing an exclusive Development Agreement with Steag Power LLC, the predecessor in interest to Sithe Global Power LLC, to develop the Desert Rock Energy Facility.

The Desert Rock Energy Facility brings many benefits to the Navajo people. The Desert Rock project is a comprehensive energy development for the Navajo Nation, including transmission, water and related infrastructure facilities, community development, communications, transportation and support service facilities, job training and other programs. The Navajo Nation has consistently supported DPA and their choice of Sithe Global Power LLC to develop the Desert Rock project because of Sithe's willingness to work with the Navajo Nation and their ability to construct and operate a highly efficient coal-fired electric power plant with proven air pollution control technology, a power plant design that significantly reduces water consumption in a region where water resources are scarce, and an agreement to develop a

project with DPA that respects and protects the property rights, environmental concerns, sovereign objectives and economic interests of the Navajo people.

The Navajo Nation appreciates the effort undertaken by EPA to address the requirements of the federal Clean Air Act in processing the permit application for the Desert Rock project. Because the Navajo Nation and EPA have worked so closely with the Navajo Nation EPA and DPA to address the air quality issues of the project, it is clear that EPA understands and respects the trust responsibility between EPA and the Navajo Nation in carrying out its responsibilities under the Clean Air Act. The lengthy public process for the PSD permit, including the workshops in remote Navajo communities involving Navajo-speaking citizens, also demonstrates the positive working relationship between the Navajo Nation and the US in addressing the regulatory issues for the PSD permit.

The Desert Rock project is a significant step toward manifesting the trust relationship between the Navajo Nation and the US evidenced by the delegation of Title V authority from EPA to the Navajo Nation. Once the plant is constructed and operating, EPA and the Navajo Nation will undertake a historic partnership to regulate Desert Rock and demonstrate to the nation that tribes and the federal government can work together to produce real results. In the most basic terms, Desert Rock is manifestation of Navajo self reliance, the primary goal of federal policies toward Indian tribes. With this in mind, DPA asks that EPA Region IX incorporate the comments submitted by DPA on November 13, 2006, and by Sithe Global Power LLC on October 20, and issue the final PSD permit for the Navajo Nation's Desert Rock Energy Facility.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'Tim T. Goodluck', with a stylized flourish at the end.

Tim T. Goodluck
Chairman of the Board
Diné Power Authority

Xc: Chrono/ File



U.S. Department
of Transportation
**Federal Aviation
Administration**

Federal Aviation Administration
Southwest Region
Louisiana/New Mexico Airports
Development Office

2601 Meacham Blvd.
Fort Worth, Texas 76137-4298

XI. 6

September 11, 2006

Mr. Robert Baker (AIR-3)
Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105

Dear Mr. Baker:

We have completed our review of your proposal to issue a construction permit granting conditional approval to Sithe Global Power for the construction and operation of a mine-mouth coal-fired power plant to be located on the Navajo Indian Reservation, approximately 25 miles southwest of Farmington, New Mexico.

Our primary focus centered on airspace considerations and potential impacts to aircraft operating in the area surrounding the proposed site. At this time, we have no concerns to submit to your office.

We appreciate the opportunity to review and comment on the proposed project. If you should have any questions, please call me at (817) 222-5644.

Sincerely,

Joyce M. Porter
Environmental Specialist
LA/NM Airport Development Office

cc:
ABQ NMFU (Fred Gurule)

The Hualapai created their own Wampan-
 s'owon image. In doing so, both were created
 as equals. Both depending on each other in
 order to survive. Great respect was shown for
 each other in doing so, happiness and well-
 being was achieved from each other in
 turn.

The connecting of the Hualapai makes them one
 concern for happiness or contentment cannot
 be achieved without each other.

The Canyons are represented by the purples in
 the middle ground, where the canyon were cre-
 ated. These canyons are sacred, and should be
 so treated and treated.

The Reservation is placed to represent the
 area that covers the reservation.



The Reservation is our heritage and the
 heritage of our children yet unborn. Be good to
 our land and it will continue to be good to us.

The Sun is the symbol of life, without it
 nothing is possible -- plants don't grow -- there
 will be no life -- nothing. The Sun also
 represents the dawn of the Hualapai people.
 Through hard work, determination and
 education, everything is possible and we are
 assured bigger and brighter days ahead.

The Tracks in the middle represent the coyote
 and other animals which were here before us.

The Green around the symbol are pine trees,
 representing our name Hualapai -- PEOPLE
 OF THE TALL PINES --

HUALAPAI NATION OFFICE OF THE CHAIRMAN

Charles Vaughn
 Chairman

P.O. Box 179 • Peach Springs, Arizona 86434 • (928) 769-2216
 1-888-769-2221

Sherry J. Counts
 Vice-Chairwoman

Mr. Charles Vaughn, Chairman
 Hualapai Tribe
 P.O. Box 179
 Peach Springs, AZ 86434

November 8, 2006

Ms. Deborah Jordan, Director
 EPA Air Division (Attn: AIR-3)
 Environmental Protection Agency, Region 9
 75 Hawthorne Street
 San Francisco, CA 94105.3901

Ms. Jordan:

I am Charles Vaughn, Chairman of the Hualapai Tribe, and submitting comments
 on behalf of the Hualapai Tribe on the proposed Clean Air Act construction permit for
 the proposed Desert Rock Energy Facility. I am pleased to see the government-to-
 government consultation process working between Environmental Protection Agency and
 the Hualapai Tribe.

There are three items which I would like to address regarding the Desert Rock
 Energy Facility. On page 38 of the Desert Rock Energy Center (AZP 04-01) Permit
 Conditions, the United States Forest Service refers to a "mitigation strategy" proposed by
 Sithe to the FLMs to deal with the potential Visibility violations. The Hualapai Tribe
 requests a copy of Sithe's mitigation strategy.

The second item of concern for the Hualapai Tribe is the lack of data or mention
 of mercury emissions from the proposed facility. Mercury is released from coal when
 coal is burned. Mercury is an element and it has no half-life. Mercury is a known

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NOV 21 2006

Permits Office Air-3
 U.S. EPA, Region 9

neurotoxin which affects the fetus and young toddlers. Hualapai Tribe requests Sithe perform analysis and report on its potential mercury emission.

The report is solid and scientifically-firm. Hualapai Tribe is pleased to review the document. However, you and I are aware that air monitoring equipment operates only when the "on" button is switched on. Therefore, Hualapai Tribe recommends Environmental Protection Agency and/or Navajo Environmental Protection Agency perform periodic un-announced inspections of the air monitoring equipment. This recommendation is in addition to their regular announced inspections.

The Hualapai Tribe is pleased to comment and participate in this endeavor which will affect the health and welfare of indigenous and non-indigenous peoples in and around the proposed facility. If there are any questions of the Hualapai Tribe, I can be reached at 928.769.2216.

Respectfully,

A handwritten signature in cursive script, reading "Charles Vaughn".

Charles Vaughn, Chairman
Hualapai Tribe

Cc: Steven Etsitty, Navajo EPA
Robert Baker, EPA Region 9

Statement to EPA Opposing the Desert Rock Energy Facility

Interfaith Alliance for Environmental Stewardship

The Interfaith Alliance for Environmental Stewardship is composed of members of various religious congregations in the Santa Fe, NM area. We are an arm of the New Mexico Conference of Churches, who also support our position on this matter. Our purpose is to encourage environmental stewardship in the general public so that the earth can continue to provide a nurturing environment for mankind and other forms of life. The ethical and moral imperatives to ensure this purpose are central and fundamental to each and all of our various forms of worship, and we believe, to all religions throughout the world.

It has become clear, finally, that global climate change poses a serious future threat to a nurturing planet, with some indications that the threat may be more immediate than in the distant future, and that the effects could be very serious to both humans and other species. The fundamental fact about human induced climate change is that it is driven by the historically unprecedented levels of greenhouse gases (GHG) churned into the atmosphere as a product of modern industrial life, and that the current rate of increase of global GHG emissions leaves only a guarded prognosis for avoiding ruinous global climate change.

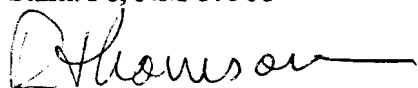
The proposal to build an enormous 1500Mw coal burning plant at Desert Rock flies completely in the face of the need to reduce GHG production. If built, the CO2 emissions from Desert Rock have been estimated by a report by The Center for Climate Strategies (University of Pennsylvania) to the State Environmental Department to increase the GHG emissions load from ALL power plants in New Mexico by a factor of one third, and to increase the total GHG emissions in the State from ALL sources by about 14%. Given the facts that such a plant has a roughly 50 year life, and the enormous difficulty of achieving ANY decrease in GHG emissions in the State by other initiatives, all by itself, building the plant will deal a fatal blow to any feasible mid term ambitions to limit GHG in New Mexico.

On the other hand, if the power plant is not built, other options with ultimately practical promise exist for meeting future electricity demand in New Mexico and the surrounding region from a combination of renewable energy sources (with no GHG emissions) and advanced clean coal technologies. For details, see reports by Western Resources Advocates, and statements by the Western Governors Association.

Some questions to the EPA regarding the granting of a permit to build the plant are: 1. Will the permit hold Sithe to the greater standards regarding particulates and SO2 quoted in Sithe's proposal? 2. Will the EPA consider best available control technology (e.g. IGCC) in granting the permit? 3. Does the EPA consider the substantial addition of mercury pollutants harmful to the public in view of the already controversial levels of emissions from other power plants in the vicinity?

We believe that the Desert Rock plant, as presently proposed with its large GHG emissions, will be harmful to the people of the State and the US, represents bad public policy, and should not be built.

Submitted by Robb Thomson, Chair Interfaith Alliance for Environmental Stewardship
215 Alameda, Apt 515
Santa Fe, NM 87501



XI-9



October 25, 2006

Mr. Robert Baker
United States Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 84105

RE: Clean Air Act Permit for the Desert Rock Power Plant

Dear Mr. Baker:

Attached please find a resolution of the La Plata County Board of County Commissioners requesting that the Environmental Protection Agency Region IX Air Division deny the Clean Air Act Permit for Desert Rock Power Plant so the full Environmental Impact Statement for this project is completed.

If you have any questions, please contact me at (970) 382-6219.

Sincerely,

Jessica Laitsch
Clerk to the Board

RESOLUTION NO. 2006-40

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, FOR REGION IX AIR DIVISION OF THE ENVIRONMENTAL PROTECTION AGENCY CONCERNING THE CLEAN AIR ACT PERMIT FOR THE DESERT ROCK POWER PLANT

WHEREAS, the United States Environmental Protection Agency (US EPA) Region IX has proposed a Clean Air Act permit that would authorize construction of a 1500-megawatt coal-fired power plant on the Navajo Nation; and

WHEREAS, the permit regulates the reduction of particulate matter, sulfur dioxide, nitrogen oxides, carbon monoxide, volatile organic compounds, and lead emissions with the Best Available Control Technology, and must comply with health-based National Ambient Air Quality Standards; and

WHEREAS, Chapter 6, page 6.1 of the La Plata County Comprehensive Plan - Environmental Resources states "La Plata County's natural resources are a valuable community asset. Ensuring their preservation and appropriate use is important to both the natural beauty and economy of La Plata County;" and

WHEREAS, "Environmental Quality and unique natural features are what defines the character of La Plata County and ensuring their continued viability and health is important;" and

WHEREAS, the comment period for this clean air quality permit closes before the draft Environmental Impact Statement is released to the public resulting in an incomplete understanding of the cumulative impacts of the plant; and

WHEREAS, mercury is a significant and demonstrable problem resulting in a degradation in the quality of life for La Plata County citizens, failure to include the monitoring of mercury, a byproduct of all coal burning power plants would be negligent to the citizens;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF
COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, AS
FOLLOWS:**

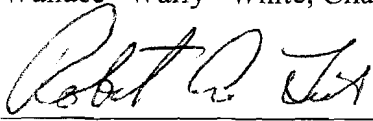
1. That the La Plata County Board of County Commissioners hereby requests that the Environmental Protection Agency Region IX Air Division deny the Clean Air Act Permit for Desert Rock Power Plant so the full Environmental Impact Statement for this project is completed to allow the citizens of La Plata County an understanding of the full cumulative impacts from the proposed plant.
2. That the La Plata County Board of County Commissioners hereby requests that all available technology be utilized to reduce the amount of pollutants, including mercury, emitted by this plant.

DONE AND ADOPTED IN DURANGO, LA PLATA COUNTY, COLORADO,
this 24th day of October, 2006.

BOARD OF COUNTY COMMISSIONERS
LA PLATA COUNTY, COLORADO




Wallace "Wally" White, Chair


Robert A. Lieb, Vice Chair


Sheryl D. Ayers, Commissioner

DISTRIBUTION: United States Environmental Protection Agency Region IX
Attn: Robert Baker
75 Hawthorne Street
San Francisco, CA 94105
desertrockairpermit@epa.gov

2005 E. 11th Street
Farmington NM 87401
(505) 325-9260

~~KT~~ - 10

Mt West Regional CC/LU 1319
Farmington Fax #: (505) 327-2888

To Robert Baker

Fax: 415-947-3579

From Lyla Ransdell/Field Rep. Date: 10-3-06
m:

Re Desert Rock PPlant,
Farmington, New Mexico

C
C:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Hello Robert, We would like to go on record of
supporting the Desert Rock Power Plant. It will
be a pleasure to work on a clean, new plant. If
this area has a pollution problem it is with the
other two plants, that is who the EPA needs to

.....

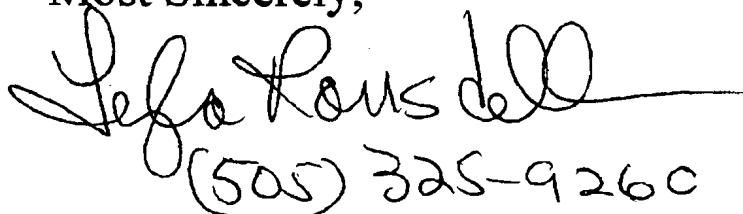
have hearings on. The 4-Corners Plant still has asbestos in many locations in it.

I represent 300 carpenters living in this area. At least 200 + are Navajo and very good craftsmen.

We look forward to training 100's of new Navajo apprentices in the coming years, to build this state of the art Power Plant.

I personally live between the two old plants and will appreciate the low emissions from the new plant. Thank you for ensuring this.

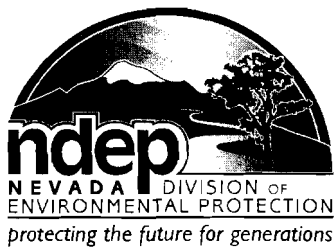
Most Sincerely,



(505) 325-9260

Lyla Ransdell/Field Representative

Mountain West Regional Council of Carpenters



STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Kenny C. Guinn, Governor
Allen Biaggi, Director
Leo M. Drozdoff, P.E., Administrator

October 9, 2006

Robert Baker (AIR-3)
EPA Region IX
75 Hawthorne Street
San Francisco, CA 94105

Re: Draft PSD Desert Rock Energy Facility Air Permit

Dear Mr. Baker:

The Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) has reviewed the draft Prevention of Significant Deterioration (PSD) permit and Technical Support Document (TSD) for the proposed Desert Rock Energy Facility, to be located on the Navajo Indian Reservation. NDEP has several concerns and comments regarding the Draft PSD Permit and the TSD, which are enclosed for your review and response.

NDEP believes that the issues raised in the enclosed comments are significant enough that EPA needs to re-notice the revised draft PSD permit and TSD to ensure adequate public participation in the permitting of this facility.

Sincerely,

Michael Elges, Chief
Bureau of Air Pollution Control

ME/mad

Enclosure
Certified Mail 7003 2260 0003 2621 5393



**Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Comments on the Draft Desert Rock Energy Facility (DREF)
Prevention of Significant Deterioration Permit**

Section IX. Special Conditions

Paragraph B. Air Pollution Control Equipment and Operation

Controls for site roads (haul and general traffic) and landfills are not detailed in this section, nor are they addressed elsewhere in the draft permit. Additionally, this section does not detail whether these required controls are Best Available Control Technology (BACT) controls. NDEP is concerned that other fugitive emission sources may have been overlooked, along with their associated BACT controls.

Paragraph C. Performance Tests

NDEP understands that EPA Method 8 for measurement of H₂SO₄ can give false high readings in the presence of high SO₂ and NH₃ gas streams.

Paragraphs D. through I., K. through M., O. and P.

These paragraphs detail emission limits, but do not detail which limits are BACT. NDEP was unable to determine the basis for any of the limits presented from the draft PSD permit.

There are no mercury emission limits in this section for the PC boilers. 40 CFR 60 Subpart Da establishes mercury emission limits.

The number and size of the main pulverized coal (PC) boilers are not detailed anywhere in the draft PSD permit.

EPA does not detail which NSPS standards apply to the PC boilers, specifically 40 CFR 60 Subpart Da.

Paragraph O. Auxiliary Boilers

The number and size of the auxiliary boilers are not detailed anywhere in the draft PSD permit.

EPA limited the boilers to a maximum heat input per year, but does not limit the number of hours each boiler can operate. This effectively establishes a cap and allows the boilers to be operated at less than maximum production, and at a less efficient operation. EPA needs to place an annual limit on the number of hours these auxiliary boilers are operated.

EPA does not detail which NSPS and NESHAPS standards apply to the auxiliary boiler. Specifically, 40 CFR 60 Subpart Dc and 40 CFR 63 Subpart DDDDD.

Paragraph P. 1000-kW Emergency Backup Generators and 180 kW Fire pumps

The number of backup generators and fire pumps is not detailed anywhere in the draft PSD permit.

**Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Comments on the Draft Desert Rock Energy Facility (DREF)
Prevention of Significant Deterioration Permit**

EPA did not set any emission limits for these emission units. Additionally, EPA established a heat input cap for the all these engines globally, without establishing limits for each individual engine. This is a significant oversight as this cap would potentially allow all of the heat input to be burned through the least efficient engine, creating the potential for higher emissions than discussed in the technical support document (TSD). The TSD discusses a limit of 100 hours for each of the engines, and this is presumably the basis of the annual emissions and heat inputs. EPA needs to establish an annual limit on the number of hours as well as fuel usage for each engine individually. EPA needs to also establish limits for the PSD pollutants emitted by these engines.

EPA does not detail which NSPS and NESHAPS standards apply to the engines. Specifically, 40 CFR 60 Subpart IIII and 40 CFR 63 Subpart ZZZZ.

Paragraph Q. Continuous Emissions Monitoring System

EPA does not require Hg CEMS for the PC boilers, which is a requirement of 40 CFR 60 Subpart Da.

Paragraph S. New Source Performance Standards

EPA has missed Subpart IIII, New Source Performance Standards for Compression Ignition Internal Combustion Engines. Subpart IIII is applicable to both the emergency generators and the fire pumps. If these engines are not covered by Subpart IIII, then EPA needs to address this in their TSD.

The applicability of Subpart Kb to this source is not supported either in the TSD or the draft PSD permit. EPA needs to discuss what storage tanks are covered by this subpart, and include applicable VOC limits for these tanks in the PSD permit, since the source is a major stationary source for VOC emissions.

NDEP asserts that EPA needs to explicitly state in the draft PSD permit the NSPS requirements for each emission unit with an applicable NSPS subpart in the emission unit specific sections of the permit. A general high level reference at the end of the permit is not sufficient to clarify the source's responsibility for each emission unit, especially given the complexity and number of NSPS standards that apply to this source. Additionally, EPA, specifically EPA Region IX, has taken exception to this type of high level reference in comments to NDEP permitting actions.

National Emission Standards for Hazardous Air Pollutants (NESHAPS)

EPA has neglected to discuss or include in the PSD permit the NESHAPS standards which must apply to a source this large. In fact, EPA has neglected to discuss HAPS emissions entirely in the TSD. Based on experience with other plants of this size, NDEP is sure that this facility is major source of HAPS. As such, 40 CFR 63 Subparts ZZZZ and DDDDD would apply, as

**Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Comments on the Draft Desert Rock Energy Facility (DREF)
Prevention of Significant Deterioration Permit**

discussed above. EPA needs to address HAP emissions and include the specific NESHAPS standards in the appropriate emission unit specific sections of PSD permit.

Acid Rain

The permit does not appear to have any acid rain provisions, except as a general high level reference in Paragraphs Q. and R. EPA needs to include specific acid rain conditions in the PSD permit.

Cooling Towers

EPA asserts in the TSD that the cooling towers are not sources of emissions since they are a dry cooling design. However, the TSD states that oversprays can be used when ambient temperatures are above 80°F. The TSD is not clear as to why there are no emissions that should be included in the PSD permit from the water oversprays. The TSD just states that the oversprays are “on the heating surfaces inside of the cooling tower.” NDEP would interpret this to mean that if water is being oversprayed, there is a potential to emit from the solid fraction present in any water supply. NDEP would expect a significant number of days where the ambient temperature would exceed 80°F for this region. EPA needs to clarify this issue and address why the cooling towers do not need to be permitted.

Coal Mining Operations

EPA did not address the relationship between the coal mine and the DREF. Specifically, whether the mine is considered a support function of the DREF and should be part of the PSD permit. Since this is a mine mouth power plant, the plant would naturally be adjacent to the mine, and, presumably, under common control since they are both situated on the Navajo Indian Reservation.

Technical Support Document (Ambient Air Quality Impact Report [NSR 4-1-3, AZP 04-01])

Paragraph V. Application of the Prevention of Significant Deterioration (PSD) Regulations

EPA asserts in the TSD that DREF is not a major stationary source for lead, fluorides and sulfuric acid mist. This statement is misleading, and in one instance completely incorrect. The sulfuric acid mist potential to emit is listed at 221 tons per year, which is clearly a major emission (i.e., greater than 100 tons per year). The emissions for lead and fluorides are 11.1 and 13.3 tons per year, respectively. According to 40 CFR 52.21 (b)(23)(i), the significant emission rates for lead and fluoride are 0.6 and 3 tons per year, respectively. Additionally, EPA guidance on PSD states that when a new source is major for at least one regulated pollutant, then it is subject to PSD review for other pollutants emitted in amounts equal to or greater than significant, as defined in 40 CFR 52.21 (b)(23)(i).

**Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Comments on the Draft Desert Rock Energy Facility (DREF)
Prevention of Significant Deterioration Permit**

Section VI. Best Available Control Technology (BACT)

In reference to the NDEP permitted Newmont Nevada Energy Investments, LLC permit, EPA repeatedly refers to the NDEP as a Department. The correct agency name is the Nevada Department of Conservation and Natural Resources, *Division* of Environmental Protection. The untitled Table discussing NO_x BACT on page 13 of the TSD does not detail the recently (May 2005) permitted TS Power Plant, owned by NNEI, which has been entered into the RBL Clearinghouse. NNEI is given mention only in the following paragraph.

Section VII. Air Quality Impacts

EPA does not discuss in this section the 107(d) planning area(s) that are impacted by this project. Additionally, there is no discussion of the minor source baseline date(s) that are triggered by this project, or if the minor source baseline date(s) have already been triggered. Increment consumed in any other planning area(s) which is (are) impacted by this project is superficially treated. NDEP is concerned that this project, while remote, may impact planning areas managed by NDEP, as well as other state or local air quality management agencies.

The following paragraphs relate specifically to the modeling done to support the issuance of the PSD permit. NDEP's comments are specific to the TSD in this case as it is critical that these issues be clearly addressed in order to ascertain whether the emission limits presented in the draft PSD permit are protective of the National Ambient Air Quality Standards (NAAQS), as well as the Class I and Class II Increments. If the model was not performed correctly, then the data received from the model showing compliance with these standards by the chosen permitted limits may be suspect. If the model data is suspect, then the limits chosen in the PSD permit are also suspect.

- The TSD indicates that CALPUFF was used to determine near-field impacts for Class II increments and NAAQS, not just long range impacts. However, the TSD only indicates that "good receptor placement that are in accordance with EPA guidelines" were used out to 50 km. It also indicates that "additional sets of receptors that are progressively more closely spaced nearer the source, and also fence-line receptors" were used to support the Class II and NAAQS analyses. However, no plots or more detailed discussion of the increased receptor density is provided. NDEP believes that while CALPUFF may be considered by EPA to be acceptable for near-field impacts, in many cases because of the tension in balancing the receptor grid to represent both near-field and long range impacts, the receptor grid chosen may not adequately represent the maximum concentrations in the near-field. Since a depiction of the density is not provided in the TSD, it is difficult to determine if the modeling adequately represents near-field impacts. The TSD should be revised to include a more detailed description of the receptor grids modeled.
- The TSD indicates that CALPUFF was run using met data MM5 with a "higher spatial resolution". However, the grid cell size of the met data with the "higher spatial resolution" is not provided. In many cases, on-site met data are the only data reliable enough to predict near-field impacts, especially those in near-field complex terrain. It is

**Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Comments on the Draft Desert Rock Energy Facility (DREF)
Prevention of Significant Deterioration Permit**

common for CALMET processed data to be at 36 km and 12 km grid scales. NDEP believes that wind fields generated at these scales, while adequate to represent long range plume transport, tend to under-predict near-field impacts due to highly localized terrain influences. Since the TSD does not provide detailed discussion of the met data processed, it is difficult to determine if the near-field modeling adequately represents the localized terrain. The TSD should be revised to include a more discussion of the met data used, the surface stations included in the process to “nudge” the MM5 data, and the grid scale used for the met data.

- The TSD presents maximum impacts but does not identify the locations of those impacts. It is difficult to ascertain whether the impact are in the near-field or are affected by near-field sources. The TSD should be revised to present the coordinate locations of the maximum concentrations.

Section VIII. Additional Impact Analysis

The TSD indicates that a “mitigation strategy” is necessary to respond to an adverse impact the facility is predicted to have on visibility in a Class I area. EPA also indicates that it prefers to not include the mitigation strategy in the PSD permit. However, no reason is given. 40 CFR Part 52.21(p)(4) requires that if EPA agrees with the FLM’s identification of adverse impact on an Air Quality Related Value (AQRV), EPA shall not issue the permit. NDEP believes it is inappropriate to propose issuance of the PSD permit without including the method to mitigate the Class I AQRV adverse impact in the PSD permit. Since the contents of the mitigation strategy are not provided, it can only be surmised that the solution to mitigation may include emission reductions or stack configuration changes, both of which should be made enforceable in the PSD permit.